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STATE FOR ISN/CB, VCI/CCB, L/ACV, IO/S
SECDEF FOR OSD/ISP
JOINT STAFF FOR DD PMA-A FOR WTC
COMMERCE FOR BIS (GOLDMAN)
NSC FOR LEDDY
WINPAC FOR WALTER

E.O. 12958: N/A
TAGS: PARM PREL CWC
SUBJECT: CHEMICAL WEAPONS CONVENTION (CWC): WRAP-UP FOR THE
WEEK ENDING AUGUST 17

This is CWC-72-07.

IRAQ

- 11. (U) Del reps, along with UK rep Karen Wolstenholme, met on August 16 with a group of senior Verification staff to discuss planning/follow-up on Iraq's initial declaration. Verification chief Horst Reeps was well prepared with an agenda and copies of CW and industry declaration general status and follow-up actions from the Amman workshop in December 2006 (all E-mailed to Washington). In short, Reeps believes that in order to continue forward progress, the best course of action is to schedule a follow-up workshop, in order to provide a concrete target for capitals to work toward. The week of September 17 was proposed, with the understanding that this would be taken back for an initial reaction from Washington, London and Baghdad. The stated Technical Secretariat goal for the next workshop would be a 100% complete initial declaration that the U.S. and UK deemed acceptable.
- 12. (U) Regarding certain specific questions provided by Washington:
- -- There has been no communication between the TS and Iraqi experts since the December meeting.
- -- Reeps anticipates the Director General would make an initial statement about the unique security situation immediately following Iraqi accession (i.e. at the beginning of the 60-day window before the initial declaration is due). The TS proposed that further delay could be accompanied by "other forms" of verification, e.g. photos and/or video footage that coalition forces provide.
- -- The TS provided a response on the comments provided by the U.S./UK (E-mailed to Washington).
- 13. (U) Reeps believes he could assemble a TS team in about 48 hours, and tasked the External Relations Division to start looking into visa and other requirements for another Amman workshop. (Note: If the U.S., TS and others settle on a date independent of a third reading of the CWC by the Iraqi Parliament, the TS ability to rapidly assemble the team becomes somewhat less important.) Reeps requested the U.S.

and UK also begin working actively in capital and with Baghdad and Amman to:

- -- Make initial inquiries about support in Amman.
- -- Assemble a tentative team to participate in a follow-up workshop.
- -- Assess how much progress, if any, the Iraqis have made since the last workshop.
- -- Begin pushing for the same level of expertise (same people as at the December meeting, if possible) to attend a September follow-up in Amman.
- -- Based on progress reports, encourage Iraqi experts to complete the last session's "homework" prior to attending a follow-up.
- -- Obtain, if possible, an electronic copy of where the Iraqis currently stand on their declaration to share with the TS.

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- 14. (U) The TS was pleasantly surprised in December at the progress the Iraqi delegation had made since the previous workshop. They also found that the experts in December were able to get answers from Baghdad on several issues while still in Amman. Although this might occur again, del reps noted that this type of progress and responsiveness should not be assumed, and asked what the TS envisioned in a worst-case scenario of the Iraqis turning up having made no further progress on the declarations and being unable to reach counterparts in Baghdad from Amman.
- 15. (U) Reeps indicated at that point it would be nice for the U.S. and UK to "fill in the blanks." The TS also highlighted their desire to have footage/photos wherever possible particularly of former production facilities like Al Muthanna in order to:
- -- Provide some visual of the state of Iraq's former program for member states that might be inclined to ask probing questions.
- -- Act as a sort of stop-gap measure in lieu of actual inspections.
- $\P6$. (U) In a subsequent discussion with the UK rep, the joint concerns expressed were:
- -- How willing and able the U.S. and UK would be to share photos/videos.
- -- How realistic it is to anticipate making any contact with the Iraqi experts in Baghdad in time for a September meeting.
- $\mbox{--}$ What will happen if experts turn up to the meeting with nothing more than the product of the last workshop.

CURRENT TS BUDGET

 $\P7$. (U) Director of Administration Ron Nelson noted that the TS currently is facing a difficult budgetary situation, as it

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has not received payments of 2007 assessed contributions from the U.S., Japan and Mexico. At the current rate of expenditure of six million Euros a month, and without payments of assessed contributions, Nelson said that discretionary purchases by the TS would cease in September/October, resulting in reductions of operations and suspension of further recruitment.

INDUSTRY CLUSTER - LATE DECLARATIONS

18. (U) As reported earlier, the July 10 consultation on this issue resulted in the facilitator (Larry Denyer, U.S.) revising the previous facilitator's draft decision to incorporate the strong opinions expressed by delegations and

to try to preserve as much of the heart of the decision as possible. A later meeting with the South African delegate (who brought many of the major points forward in the July 10 consultation) was very positive, including an offer of assistance, if needed, in brokering an agreement with some of the interested (and difficult) States Parties within his regional group and the NAM - i.e., Iran, India, etc. Given this positive step, the facilitator instructed the TS to distribute the new facilitator's draft decision text (along with a red-line version) to delegations, which was done on July 27.

19. (U) This week, the facilitator met with representatives of the Japanese and New Zealand delegations to get their reactions to the new draft. Both felt that the new draft retained the heart of the previous decision language, while at the same time giving due consideration to the significant concerns of some delegations. This was particularly reassuring to hear from the New Zealand delegate, as she was also vocal in opposition to the previous draft during the July 10 consultation. Both delegations committed to getting a thorough review from their capitals in advance of the next consultation on September 4. The facilitator will meet with the delegation of India during the week of August 27 and has also made similar offers to meet to the delegations of Canada and China and is awaiting their response.

RECOMMENDATION ON INDUSTRY ISSUES

110. (U) Del rep had a discussion with Kiwako Tanaka (Japan) who stated that Merel Jonker (Netherlands), her co-facilitator on the transfer discrepancies issue, would be moving to a new assignment at the end of September. Tanaka sounded as though she would not want to continue the facilitation with Jonker's departure. However, it is also fair to say that any realistic progress on this issue has been accomplished by specific steps taken by the TS. With the facilitation on late declarations finishing up in the

next few weeks, there would be no facilitations in the industry cluster.

- 111. (U) The delegation has two recommendations for Washington's consideration. First, the del urges the U.S. focus on working with the TS on the concrete industry issues that matter, such as the DG's note on modifying the OCPF site selection mechanism, and possible tweaking of OCPF declaration format/content in light of the Canadian paper. On this and other issues, the most productive way to proceed is working with key TS personnel, such as Industry Inspection chief Bill Kane and others. Del sees little reason for facilitators or consultations. (Note: we will need to have discussions on risk assessment chaired by Ambassador Dastis of Spain. But those are not consultations aimed at achieving some type of a recommendation or proposal from Dastis. End Note.) Until the RevCon, the exercise should be del recommendations and Washington requests to address specific, practical issues with the TS, such as sampling and analysis.
- 112. (U) Second, the del believes the real opportunity to revitalize the industry cluster is clearly the RevCon. And this depends on what kind of a RevCon Washington wants. If the decision is to have a "do no harm" RevCon, then the U.S. can lay out a refusal to (for example) re-open Schedules, and other red-lines. The U.S. can combine that by saying that we should deal with any industry issues on an ad hoc basis as they arise. However, if the Washington decision is made for a more ambitious agenda, the RevCon would be the place for the U.S. to lay out where it wants the industry cluster to focus attention in the next five years.
- 113. (U) Del is pleased to see that Washington is initiating discussions on what outcome is desired at the RevCon, and will be providing input. The industry cluster may benefit most from such a deliberation. If the conscious decision is made for a "do no harm" RevCon, and case-by-case handling of

industry issues, that is certainly an acceptable outcome. Del simply wants to ensure that this is the result of a thorough deliberation, and not just a policy adopted by default.

PRC VIEWS ON EC-50

- 114. (U) Del rep met with PRC Deputy PermRep Li Hong on August 18 to discuss key issues for the upcoming EC. With regard to Article XI, where Li is the facilitator, he stated that Iran, Cuba and some other NAM delegations were pushing him hard to move ahead on an Article XI action plan. Del rep reiterated Ambassador Javits' point that we can only have an action plan if all delegations are in agreement on what we want to accomplish. That clearly is not yet the case regarding Article XI. Li was patently not enthusiastic about pushing the action plan issue, and was supportive of the idea that this would be a more appropriate topic for work in the run-up to the RevCon. It would be better in that forum to see the extent to which there was any kind of political consensus.
- 115. (U) Del rep reiterated that Ambassador Javits had pushed for the earlier Article XI co-facilitation to focus on concrete steps, and if Li were to make that the goal of his consultation, it would get greater U.S. support (obviously depending on the concrete steps under consideration). Li again was very supportive, and said that he would try to focus his 3-4 consultations before the Conference of States Parties in that direction. He also said he was considering making a pitch for States Parties to provide voluntary contributions that could be ear-marked for Article XI projects. Li flatly said that he could not keep Iran and others from raising the action plan, but said that pushing it toward the RevCon would make his immediate task easier.
- 116. (U) On export controls, Li stated that Iran has pressed him hard to have his consultation address this issue, reiterating that he could not keep Iran from raising any particular topic. Del rep reiterated U.S. objections and

concerns, and said if Iran wants to discuss this matter in consultations, the U.S. and other WEOG delegations had our responses ready.

- 117. (U) On the DG's announcement of a modification to the OCPF selection methodology, del rep raised the Cuban request to have this included on the EC-50 agenda. Li's "energetic" response made it clear that the Cuban request was at China's instigation. Li said that the DG's change would have a substantial increase in the number of OCPF inspections in China, and was a matter of grave concern in Beijing. When asked if the PRC would challenge the DG's modification, Li said that was indeed the case. Del rep emphasized that the U.S. view is that this action was completely within the DG's authority.
- 118. (U) Del rep added that when the last modification had taken place, the EC-27 report language stated that the DG would be looking for inputs from member states on the impact of that particular change in methodology. Certainly, we would anticipate that the DG would welcome SP inputs this time around as well. If that was what China meant by "challenging" the DG, certainly all SPs would want to compare notes of the impact of the change to see if it had the desired result. Li merely reiterated that as the impact on China would indeed be substantial (he declined to give a number on projected additional OCPF inspections), it was important to fully discuss the issue at the EC.
- 119. (U) Turning to the number of OCPF inspections in the proposed 2008 Budget, del rep stated that the U.S. wanted to see even a nominal increase in OCPF inspections in 2008, which was particularly important in the run-up to the RevCon. Li flatly said that, particularly due to the DG's change in the site selection methodology, Beijing could not accept even

one additional OCPF inspection in 2008.

120. (U) Li then raised the issue of zero nominal growth budgets. He asserted that there is now a discussion among some delegations (and not just NAM delegations) about whether we have hit the limit with regard to ZNG budgets and whether the 2009 budget would have to contain some type of increase. Part of this is due to the view that the TS has now gotten rid of any excess fat. Part of it is attributable to the view that the OPCW exists to handle a variety of tasks, not just to serve as a showcase of budgetary restraint. Del rep said that if other delegations or the TS have proposals for additional expenditures or projects, the U.S. would simply ask for a thorough assessment of whether they are appropriate for the OPCW and provided value for money.

WITHDRAWAL OF AMCIT APPLICATION

- 121. (U) Del rep was informed by Ron Nelson, head of administration, that Jonathan Tucker, an Amcit who had applied for a P-4 position in the Verification Branch, had withdrawn his application. Tucker is extremely capable and experienced and looked likely to get the position. Indeed, Nelson said that DG Pfirter had informally indicated support for Tucker. Unfortunately, Tucker grew frustrated by the various administrative requirements connected with the TS hiring procedure, and the lengthy wait this generated. Del rep understands Nelson has raised the Tucker case with the Human Resources branch, and also indicated his personal frustration at how Tucker (and presumably other applicants) are being handled.
- 122. (U) The key problem was the fact that HR did not stay in contact with Tucker to keep him informed that his application was indeed being processed and that he was still under serious consideration for the job. While it does not appear to be the case that Tucker requested an update and was given no response, Tucker clearly had gone several months without any word from HR. Nelson noted that while all applicants cannot be given constant updates on the status of their application, certainly the key candidates sought by the TS should be kept apprised of their situation. One of the other

frustrations expressed by Tucker was the fact that he had been given a one-week notification of the scheduling of his interview. Nelson said that HR would give applicants more preparation time.

123. (U) Nelson emphasized to del rep that he will be discussing with his HR staff improvements in their treatment of applicants, particularly those who make the short list. He concedes that Tucker certainly did not get the feeling that he was sought by the OPCW, and that such a process will make it more difficult to get the best quality personnel for TS positions.

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124. (U) Ito sends. Schofer